



New England Chapter Newsletter

From the Chapter President

Welcome to the RMA New England Chapter Summer Newsletter,



The RMA New England Chapter has just concluded its fiscal 2021 programming year, with two terrific chapter presentations in June. You will find summaries on these programs in these pages. You will also find episode two of our biography of Robert Morris in this edition, entitled Robert Morris – The War Years. If you missed episode one of the biography, [Find it here](#).

This has been an unprecedented time for our chapter's board and our membership. With the move to virtual programming resulting from the pandemic, we have been able to reach more of the members in our geographic footprint. To continue to add value to your RMA membership, we launched our monthly Lunch and Learn program series. Since we began virtual programming we've had over 1,000 attendees at our chapter events.

In November we hosted a program featuring the always-popular Victor Calanog focused on the Economy, COVID and What is Next for Multifamily and Commercial Real Estate. Our Women's Affinity Group hosted our December program with a look at Asset-Based Lending. In January we launched our first CEO Fireside Chat, with Chris Oddleifson of Rockland Trust. In February our sponsor partner CEIS Review educated our membership on Stresses to Commercial Loan Portfolios. In March we held another CEO Fireside Chat with David Glidden of Liberty Bank, moderated by Paul Flynn Jr., CEO of our sponsor partner BDC Capital Corp.

In April we co-hosted the first of three pilot programs with RMA HQ, with a look into managing a COVID workplace. In May we co-hosted the second, focusing on Risk Ratings. In June, we concluded our programming year with the third pilot with RMA HQ, on Risk Management. Our Women's Affinity Group provided a deep dive into Loan Workouts on June 3rd, and on June 11th we concluded our year with our Annual Meeting and a fascinating presentation by the OCC entitled Throughout a Pandemic, The Banking Industry Remains Resilient. This program garnered a perfect score in our attendee evaluation survey.

During the Annual Meeting, our membership approved our FY 2022 slate of directors and officers. I'm so pleased to have been voted to an additional year as President of our Chapter. David O'Brien will continue his invaluable service as our Treasurer. David began his service as Chapter Treasurer in 2006 and thanks to his stewardship, the Chapter remains fiscally healthy, and is well-positioned to return to "business as usual" when circumstances will allow. Bridget Long is our Vice President and now, President-Elect. Lisa Krywucki returns for another year as our Secretary. We welcomed two new board members: Carolyn Normand and Jamie Dalton. You will find bios on Carolyn and Jamie within these pages.

The work of our chapter is possible thanks to many factors. I would like to thank our board of directors who

President's Letter continued

stepped unhesitatingly up to the plate during the pandemic, offering support, advice and programming to our membership. Our parent organization, RMA HQ, provided our technology platform, invaluable advice and unwavering support to our members and staff. And you, our members, stepped up as well. You joined our programs at record levels, you renewed your memberships, and you committed to your Chapter Assessments, all of which enabled us to continue to deliver on the RMA Mission Statement:

RMA is a member-driven professional association whose sole purpose is to advance sound risk management principles in the financial services industry.

RMA helps our members use sound risk management principles to improve institutional performance and financial stability and enhances the risk management competency of individuals through information, education, peer sharing, and networking.

On behalf of the Chapter's board of directors, I would also like to recognize the continued work and support received from our Executive Director Julie Conroy. Julie works so hard and does so much to keep the Chapter moving forward each year. We appreciate her and all that she does for the directors and for our members. The board wishes each of you a happy, healthy and joyful summer.

We look forward to seeing you all soon and hope you can please mark your calendars for our upcoming programs in September and October:

September 14th – Women's Affinity Group Networking Event, 8:30 – 10:00 am.

September 30th – Bank Mergers: An Acceleration in 2021

October 28th – Careers in Banking (Hosted by the Women's Affinity Group)

See you in September!

Sincerely,

John Pratt
2021 RMA New England Chapter President
jpratt@lowellfive.com

Recent Event Summaries

June 3

Loan Workouts: Expecting the Unexpected

Hosted by the RMA New England Chapter Women's Affinity Group

On June 3th the Chapter explored the world of loan workouts, through the lenses of the credit officer, the workout officer, a turnaround consultant, and a legal administrator.

COVID-19 has had a significant impact on small businesses and the real estate industry. While problem loans have been controlled during the crisis with loan modifications and PPP loan proceeds, financial institutions remain cautious about the future. Early identification of red flags is crucial - waiting for a payment default often reduces available options for the institution and the borrower. The interaction amongst the panelists was lively and the audience interacted with the panelists with their own questions.

The event scored 4.88 with the audience, with 5.0 being perfect. A sampling of event survey responses:

- The panelists were colorful, knowledgeable, and really added value from different work perspectives.
- It was a great refresher for red flags and warning signs of troubled loans and what the initial steps are once recognized.
- The topic was in reference to real life current situations.
- Timely topic presented in a conversational manner.
- The knowledge the speakers shared with the audience of their experience in their specific fields.

June 11

A Presentation by the OCC: Throughout a Pandemic, The Banking Industry Remains Resilient, Presented as part of the Chapter's Annual Meeting.

On June 11th, the Chapter held its annual meeting and hosted a presentation by the Office of the Comptroller of the Currency, addressing the state of the entire banking industry during the pandemic. Ernie Knott, the Northeastern District Financial Analyst presented on the subject. Tracy Velez and Lori Bittner, both Assistant Deputy Comptrollers in the Boston Field Office, joined Ernie for the Q&A session following the presentation.

The event scored a perfect 5.0. A sampling of event survey responses:

- Good view of the how the banking industry emerged from the pandemic.
- The data on the consolidation of banks and their current composition.
- Ernie's presentation provided detailed information on various important industry segments without getting bogged down. He paced his presentation very well.

- Ernie provided a lot of great macro data on the banking industry. Loved his personal examples he tied into the presentation as a landlord and experience living in a major city.

New England Chapter Centennial



Interview with Carol Brennan, Director of Business Development, BDC Capital Corp.

The interview was conducted by John Pratt, Jr., Senior Vice President, Commercial Lending, The Lowell Five Cent Savings Bank

John Pratt: Thank you Carol, for sharing your thoughts and experiences with our chapter members. The Chapter is celebrating a 100 year history this year, and what a year it has been. Carol, when did you join the Chapter Board?

Carol Brennan: Thanks John, for inviting me into this conversation. I joined the Chapter board back in 2003.

JP: Well, that certainly predates me. What was the makeup of the board then, compared to now?

CB: The board was larger when I first joined. We had 23 directors – five women and 17 men, with women representation of about 20%. We have become more diverse and slimmed down now, with 18 directors – eight women and 10 men. So women now hold almost 50% of the board seats.

JP: It's good to see a stronger ratio of women as directors now. Studies have shown that boards with a larger percentage of women – whether corporate, private or nonprofit – outperform those with little or no gender diversity. Throughout your 23+ year career, can you share with our readers the evolution of women's roles in banking/finance? What positions were women encouraged to pursue in the 1990's compared to now?

CB: Good question! Historically, financial institutions had employed women as tellers, secretaries and junior administrative staff. Things started to change in the 1980's, when women began moving into senior management roles, and investment banking.

However, a 2019 McKinsey study found that while women made up nearly half of entry-level positions in financial services, only about 20% served in C-Suite positions. This was an international study, and I don't have the breakdown of US statistics, but we clearly have room for improvement here. Deloitte issued a similar study, which showed that women that held financial services leadership roles were 22% in 2019 and they are forecasted to grow to 31% by 2030.

Barron's reported this year that women hold only 11% of the executive positions at publicly traded U.S. financial services, as quoted by RMA President and CEO Nancy Foster in a press release dated June 8, 2021.

JP: So we've seen some movement toward parity then, but we would like to see more. What tools do you recommend for a younger banking professional to help advance her career?

CB: Well, John, the key is to network, network, network. Attend sessions on career advancement whenever possible. Find yourself a mentor and take their advice. Join (or create) a strong peer network for women. For bank HR departments, their focus must be on diversity and inclusion practices when hiring.

If you have specific certifications, list them to distinguish yourself from your peers. An MBA, CFA, CPA -having achieved these certifications sets you apart. RMA also offers certification programs and I suggest that all RMA members look further into this. The RMA programs are excellent, regardless of how far down your career path you are. Younger members can achieve their Credit Analysis Certificate and Operational Risk Management Fundamentals Certificate. Student members who are enrolled in the RMA Credit Essentials Course at a university can receive a Credit Essentials Certificate and their Operational Risk Management Certificate (provided that their university utilizes the RMA ORM training materials). More senior bankers should explore the RMA Credit Risk Certification (CRC). The CRC is the only recognized professional designation for credit and lending professionals.

JP: This is common sense advice for younger bankers, both men and women. How does RMA HQ and specifically the New England chapter approach this topic?

CB: Several years ago the Chapter formed a committee called the Women's Affinity Group (WAG), which produces programming specifically addressed to women in banking. We've held many sessions, all of which have been very well attended. We recently held an event in June called Loan Workouts: Expecting the Unexpected, at which we had over 125 attendees, and an all-female panel. WAG is holding another event in October, focused on careers in banking for women. I'm proud to co-chair this programming committee.

Most of our sister RMA chapters have women affinity groups as well and in fact, our national parent just announced a new Women in Risk community at their national CCOR XV Virtual Conference just held in June. As a chapter leader, I'm so pleased that our parent organization continues to expand their efforts to address Diversity, Equity and Inclusion efforts across the industry.

JP: Thanks Carol, for these insights. And thank you for your long tenure of service on our board.

Biography of Robert Morris – Part II – The War Years

The Risk Management Association was originally named after Robert Morris, nicknamed the Financier of the America Revolution. In this edition, we explore his war years.



In the years leading up to the American Revolution, Robert Morris found himself on the side of opposing British taxes on merchant goods. He opposed the Stamp Act of 1765 and the following measures of Parliament that continued to levy a burden upon American shipping vessels. When the First Continental Congress convened in Philadelphia in 1774, Morris was not elected as a delegate but held court with many of the arriving members who sought his counsel and opinion on how to navigate petitioning for a repeal of the Intolerable Acts. However, Morris was appointed to the Committee of Safety by the Pennsylvania Provincial Assembly in 1775 following the outbreak of the American Revolution in Massachusetts.

Morris was given the task of providing munitions and gunpowder to the Continental Army, something he evidently did with much success. This won him a nomination to the Second Continental Congress the following year. Morris tried to bridge calls for independence by radicals with those who were in favor of neutrality and petitioning the King. Because of his reputation as a successful merchant, Morris was elected to several committees that oversaw the necessity in using maritime shipping to aid the American cause. He also oversaw the founding of the Continental Navy. As the summer of 1776 produced the formal calls for American independence, Morris, sympathetic as he was to protect the colonies from British aggression, refused to vote for independence. Along with a colleague, he abstained from the official vote, allowing the remaining Pennsylvania delegates to support independence. He would eventually sign the document in August 1776 along with the majority of Congress.

As events and the war progressed, the financial situation for the new United States became dire. The British navy had enacted a blockade along the eastern coastline that effectively made commerce and trade impossible. Because an American navy did not technically exist beyond what was planned, Congress employed privateers and merchants to sack British ships where they could. The chaos that ensued did disrupt British dominance on the Atlantic at times, but it did not revive merchant commerce. Morris was also part of a secret committee that was pursuing French support. While American diplomats Silas Deane and Benjamin Franklin had been dispatched to Paris to negotiate the support of the French Court, Morris sought out munitions and military supplies.

Morris also played an active role in trying to establish American credit. Because of the structure of the colonial governments, each former colony maintained an autonomous financial structure under the guidance of the British government. To complicate matters, aside from British currency, other European currencies, along with colonial papered promissory notes, circulated to form the monetary commercial exchange on the continent. With the war in full swing, the new state governments tightened their belts and refused to loan out or pay the requested sums asked by Congress. This problem was not fixed when the Articles of Confederation, the first federal constitution of the United States, was passed in 1777. Congress could request monetary support from the individual states, but the state governments were under no legal authority to honor these requests. By 1780, the American economy was near default, and the paper money that had been printed, known as Continentals,

were worthless due to inflation. Without Congress able to pay for the needs of the war, foreign diplomats had to convince friendly European governments to loan them hard coin and gold.

In 1781, with the situation remaining in peril, Morris began bankrolling the needed supplies of the Continental army on his own. To finance Washington's Yorktown campaign in 1781, in addition to the above techniques, Morris obtained a sizable loan from France. He used part of it, along with some of his own fortune, to organize the Bank of North America, chartered that December. The first government-incorporated bank in the United States, it aided war financing and it served as the country's first de facto central bank.

He officially served as the Superintendent of Finance, the precursor to the Treasury Secretary. Using his personal credit, he put up the necessary funds to ensure the loans would be honored. The American army began receiving the supplies it needed, and for the next three years, Robert Morris personally financed the American Revolution out of his own pocket. "Morris notes" became widely circulated promissory notes within the ranks of the army. However, one individual could not finance every aspect of what the war required. Changes had to be made in the way the confederation government operated. In 1782, Morris was among a handful of nationalists within Congress who were calling for changes to the Articles of Confederation. Unable to pay the soldiers of the Continental Army because of structural precedence, Morris, along with Alexander Hamilton and Gouverneur Morris, began corresponding with a select few of the officer staff within Washington's headquarters. Though Morris had nothing to do with the Newburgh Conspiracy, letters do indicate that the three congressmen were receptive to ideas that would force Congress to adopt new ways of enforcing jurisdiction over the states. At the same time, Morris, with Hamilton as his advisor, had been scheming of ways to create a financial sector for the government to operate. It was Morris who proposed assuming the war debt by creating credit through a national bank. However noble these plans were, the Confederation Congress refused to listen. Both Hamilton and Morris would resign from Congress in 1783-84 as the debt from the war continued to balloon with no solution to paying it off.

By 1786, it was clear among many in the country, particularly those who had always been critical of the ineffectiveness of Congress to govern over the states, that something had to change. Morris was nominated as a Pennsylvanian delegate to attend the Annapolis Convention, the precursor to the Philadelphia Convention the following year that produced the Constitution. He sympathized with the Federalists but was, for a man of his eminence, strangely silent. Although in attendance at practically every meeting, he spoke only twice in debates and did not serve on any committees.

It was Morris, in attendance at Philadelphia, who nominated Washington to preside over the deliberations, a move that was unanimously accepted in order to give the convention its legitimacy. As a nationalist and long critic of the Articles of Confederation, Morris supported the Constitution and would sign it in September 1787. Morris was then elected to the US Senate by Pennsylvania in 1788. Morris declined Washington's offer to serve as the nation's first Treasury Secretary, instead suggesting Alexander Hamilton for the position.

He helped broker the Compromise of 1790 that saw Hamilton's plan for a national bank in assuming the individual states' war debt to establish national credit in exchange for the federal capital to be in the south. As a resident of Philadelphia and representative of Pennsylvania, he would serve in the Senate until 1795, all the while continuing his many business ventures. By the 1790s, with the opening of new territories on the continent, land scheming had become big business. His reputation remained intact, but his personal wealth began to take large hits.

Stay tuned for Part III in the next edition: Robert Morris – The Decline and Fall.

Meet Our New Board Members



Carolyn Normand has been in banking for over 18 years and is currently a Senior Credit Officer, VP with People's United Bank in Boston. She is responsible for review, approval, and portfolio management of credit covering Franchise

Lending; Commercial and Industrial teams in Boston, Worcester, and Springfield; Non-Profit Lending for MA and NY; and MA Business Banking.

Prior to People's United she worked with Rockland Trust as a FVP, Commercial Credit Manager/Credit Officer managing six team leaders and twenty analysts responsible for analyzing large commercial relationships across the bank footprint. She has also worked for Santander and Wells Fargo holding various roles in credit and underwriting.

Carolyn earned her Master of Science degree in Business Ethics and Compliance from New England College of Business and Finance, a Bachelor of Science in Accounting from UMass Dartmouth, and a Certificate for Women in Leadership from Cornell University.

Our chapter presents opportunities for individuals to get involved. Chapters rely on the talents of volunteers to stage many of their programs, conduct membership development efforts, and promote the ideals of the Association. To find out more about how you can get involved in our chapter, contact: Julie Conroy, Julie@rmanewengland.org.



Jamie T. Dalton is a VP, Commercial Real Estate Credit Officer at Berkshire Bank, which serves the CT, MA, VT, PA, NY, NJ and RI markets. She began with the Bank in January of 2019 and works remotely out of her home in Darien, CT. At Berkshire Bank, Jamie

also participates in the Power of Women employee resource group, where she acts as the CT team leader and is participant in the Bank's inaugural Leadership Mentor Program.

Jamie started her banking career out of college as a Leadership Development Trainee for Enterprise Bank based in Lowell, MA. At Enterprise, she worked as a Branch Service Manager, where she helped open an office in Acton, MA, until she transitioned her career into commercial lending as a portfolio manager.

At that time, Jamie founded a young professionals group, called YP Connect, associated with the Middlesex West Chamber of Commerce, where she also participated as a Board member. Most recently, she worked at Boston Private as a Commercial Credit Officer and Commercial Lending Officer, working specifically in the affordable housing and commercial real estate group.

Jamie graduated with a bachelor's degree in Economics from the College of the Holy Cross and a Master's in Business Administration from Boston University. She is currently a member of the Darien/Norwalk YWCA and was formerly an ALANA mentor through the College of the Holy Cross, a dog therapy handler for The Good Dog Foundation and a member of Commercial Real Estate Women (CREW).

Outside of work she enjoys reading, art, running, spinning, venturing into NYC and spending time with her husband, Rob, and new baby girl, Sloane.

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